

New Flexibility Provisions under NCLB



Charles Lovett
US Department of Education

Flexibility provisions are
designed to allow
LEAs and SEAs to
refocus
existing Federal dollars
to assist them in meeting
AYP



Flexibility Stars (LEAs)

★ **Title II, Part A**

Teacher and Principal Training and Recruiting

★ **Title II, Part D**

Enhancing Education through Technology

★ **Title IV, Part A**

Safe and Drug-Free Schools and Communities

★ **Title V, Part A**

Innovative Programs



Flexibility Provisions

- Local-Flex
- State-Flex
- Transferability: State and Local
- Rural Education Achievement Program: Alternative Uses of Funds

LOCAL FLEXIBILITY DEMONSTRATION PROGRAM “Local-Flex”



Allows LEAs to target the use of
Federal funds to effectively
address the specific areas of need
in the LEA

Funds that may be consolidated under Local-Flex

100% of funds received on a ***formula basis***
under

- Subpart 2 of Part A of Title II
(Teacher and Principal Training and Recruiting)
- Subpart 1 of Part D of Title II
(Enhancing Education through Technology)
- Subpart 1 of Part A of Title IV
(Safe and Drug-Free Schools and Communities)
- Subpart 1 of Part A of Title V
(Innovative Programs)

Local-Flex

- Secretary may enter into local flexibility demonstration agreements with up to 80 LEAs
- May consolidate and use selected Federal funds for any educational purpose under ESEA
- Selected on a competitive basis

Local-Flex (cont.)

- No more than three Local-Flex agreements per State
- The Secretary will ensure equitable distribution among urban and rural LEAs within a State.
- LEAs cannot be located in States with State-Flex authority
- Up to 4% of total amount of funds included in the agreement for administrative purposes

State Priority

- The legislation offers States priority to seek State-Flex authority before districts may apply for Local-Flex.
- If SEA notifies the Secretary, by May 8, 2002, that it intends to seek State-Flex authority, school districts in that State will be precluded from seeking Local-Flex agreements with the Secretary until a final determination is made concerning that State-Flex application.

States seeking State-Flex

- Alabama
- Arizona
- Colorado
- Delaware
- Florida
- Illinois
- Massachusetts
- Nebraska
- Pennsylvania
- Tennessee
- Texas

To be considered for Local-Flex:

- Submit a proposed Local-Flex agreement that includes a five-year plan describing how the LEA would consolidate and use funds from programs included in the scope of the agreement
 - to meet the State's definition of adequate yearly progress
 - to advance the educational priorities of the LEA,
 - to meet the general purposes of the included programs, to improve student achievement, and
 - to narrow achievement gaps.

For further information,
contact:

Charles Lovett
Milagros Lanauze
LocalFlex@ed.gov
(202) 401-0039

Application:
www.ed.gov/flexibility/#prog

Local-Flex True or False

Local-Flex allows an LEA to consolidate all of its Federal funds for the purpose of meeting AYP, and attaining specific, measurable goals for improving student achievement and narrowing achievement gaps.

False

Only specified formula grant funds may be consolidated: Title II, A; Title II, D; Title IV, A; and Title V, A.

Funds consolidated under Local Flex may be used for Title I purposes.

True

Local Flex funds may be used for any purpose authorized in the ESEA.

Under Local-Flex, an LEA may use its consolidated funds for any purpose authorized under ESEA.

True, but with caveat:
funds must be used consistently with the Local-Flex plan in order to meet AYP and narrow achievement gaps.

An LEA may only use 4% of the funds consolidated under the Local-Flex plan for administrative purposes.

True

Local-Flex agreements are for 3 years.

False

Initially for 5 years, but agreements may be terminated or extended.

Use of funds under Local-Flex authority is less restricted than under transferability.

True

STATE FLEXIBILITY AUTHORITY PROGRAM (State-Flex)



- Authorizes the Secretary to grant flexibility authority to up to 7 SEAs
- Selected on a competitive basis using a peer review process

- SEA

- May consolidate and use certain Federal funds reserved for State administration and State-level activities for any educational purpose authorized under the ESEA;
- May specify how local educational agencies (LEAs) in the State use Innovative Program funds under Part A of Title V; and
- Must enter into performance agreements with 4-10 LEAs in the State, permitting those LEAs to consolidate certain Federal funds and to use those funds for any ESEA purpose consistent with the SEA's State-Flex plan.

Applications must

- Include a five-year plan describing how the SEA would consolidate and use funds from programs included in the scope of the grant of authority in order to
 - make adequate yearly progress and
 - advance the educational priorities of the State and the LEAs with which the SEA enters into performance agreements

- Demonstrate that State-Flex offers substantial promise of assisting the SEA
 - in making adequate yearly progress,
 - aligning State and local reforms and
 - to assist LEAs with which the SEA enters into performance agreements in making adequate yearly progress

- Include proposed performance agreements between SEA and 4-10 LEAs (half of which must be “high-poverty”)
 - LEA agreements
 - Plans to consolidate and use Federal funds for activities aligned with SEA’s State-Flex plan
 - Purpose of assisting LEAs in making AYP, improving student achievement, narrowing achievement gaps

Funds that may be consolidated under State-Flex

SEA funds for State-level activities and State administration under the following provisions

- Section 1004 (Improving the Academic Achievement of Disadvantaged Children)
- Paragraphs (4) and (5) of section 1202(d) (Reading First)
- Section 2113(a)(3) (Teacher and Principal Training and Recruitment)
- Section 2412(a)(1) (Enhancing Education through Technology)

SEA funds (cont.)

- Subsection (a) of section 4112 (Safe and Drug-Free Schools and Communities Governor's funds, with agreement of the Governor)
- Subsection (b)(2) and (c)(1) of section 4112 (Safe and Drug-Free Schools and Communities SEA funds)
- Paragraphs (2) and (3) of section 4202(c) (21st Century Community Learning Centers)
- Section 5112(b) (Innovative Programs)

LEA funds received on a ***formula basis*** under

- Subpart 2 of Part A of Title II
(Teacher and Principal Training and Recruiting)
- Subpart 1 of Part D of Title II
(Enhancing Education through Technology)
- Subpart 1 of Part A of Title IV
(Safe and Drug-Free Schools and Communities)
- Subpart 1 of Part A of Title V
(Innovative Programs)

Control over Title V funds

A State-Flex State may specify how all LEAs in the State (not just those with performance agreements) will use funds allocated under Part A of Title V (Innovative Programs), but must comply with the normal requirements in Part A of Title V for allocating those funds.

For further information,
contact:

Charles Lovett
Milagros Lanauze
StateFlex@ed.gov
(202) 401-0039

Application:
www.ed.gov/GrantApps/#stateflex

State-Flex True or False

Before applying for State Flex authority, ED must approve a State's AYP plan.

False

SEA may receive conditional State-Flex with AYP assurance. However, AYP definition must be approved before State may exercise State-Flex authority.

State-Flex States may specify how ALL local educational agencies (LEAs) in the State use Innovative Program funds under Part A of Title V.

True

State-Flex States may change the manner by which Title V funds are allocated.

False

There are no limitations on the number of LEAs with which a State-Flex State may enter into performance agreements.

False

State-Flex States can enter into local performance agreements with only 4-10 LEAs.

At least half of the LEAs that enter into performance agreements must be high poverty LEAs on the basis of free and reduced price lunch.

False

Poverty must be based on Census poverty data; high-poverty is defined as 20% or higher.

SEAs with State-Flex authority may consolidate both administrative and non-administrative State-level funds under selected programs.

True

Local performance agreements under State-Flex confer to the participating LEAs the same flexibility as does the Local-Flex program.

True

The only difference is that the agreement is with the SEA rather than ED.

TRANSFERABILITY



- To allow States and LEAs flexibility to transfer a portion of the funds that they receive under certain Federal programs
 - to other programs that most effectively address their unique needs and
 - to allocations for certain activities under Title I.

LEA TRANSFERABILITY

LEAs may transfer up to 50% of their formula funds among any of these programs:

- Section 2121 (Teacher Training and Recruitment)
- Section 2412(a)(2)(A) (Technology)
- Section 4112(b)(1) (Safe and Drug-Free Schools and Communities)
- Section 5112(a) (Innovative Programs)

In addition, funds from these programs may be transferred into Title I (but no funds can be transferred out).

- LEAS identified for improvement may only transfer up to 30% of their funds from the designated programs to
 - its allocation for school improvement under Sec. 1003 or
 - to any other allowable allocation but only for the purpose to conduct improvement activities consistent with Sec. 1116
- LEAs in corrective action cannot use transferability provisions.

The transferred funds are subject to the requirements of the programs to which they are transferred.

Sec. 6123 (e) (1)

For each transfer, the LEA must

- Modify its local plan or application
- Notify the SEA of the transfer no later than 30 days before the effective date of the transfer
(include program from which funds are being transferred, amount, program to which funds are being transferred, and set the effective date of the transfer)
- Submit modified plan to SEA no later than 30 days after the transfer

Equitable private school participation and consultation applies

Calculating a base

- The 50 percent and 30 percent transferability limitations are calculated on the basis of the total amount of an LEA's formula grant funds in a fiscal year that are available under an applicable program.
- The base includes both formula grant funds that an LEA originally received for a given fiscal year as well as to the funds that the LEA transfers into the program.

Example

- An LEA has \$10,000 of formula grant funds under the Educational Technology State Grant (Ed Tech) program.
- The LEA transfers \$5,000 of funds from its Improving Teacher Quality State Grant allocation to augment its Ed Tech formula grant allocation.
- The transferability base for the Ed Tech formula grant program is now \$15,000. The LEA may transfer up to \$7,500 of this amount (assuming that the LEA has not been identified for improvement or corrective action).

Carryover Funds

- An LEA may generally transfer up to 50 percent of a ***fiscal year's*** formula grant funds
- Transfer of carryover funds depends on the amount of funds, if any, transferred during the year preceding the carryover period.
- If an LEA transfers less than 50 percent of a program's formula grant allocation in a given year, it may transfer funds carried over to the succeeding year, as long as the total of the amount transferred does not exceed 50 percent of the base year's allocation for that program.

EXAMPLE

- An LEA receives \$100,000 of FY 2002 formula grant funds under the Educational Technology State Grant (Ed Tech) program. The LEA is eligible to transfer up to \$50,000 of this amount.
- The LEA transfers \$40,000 of its Ed Tech allocation to its FY 2002 allocation under Part A of Title I.
- The LEA does not expend all of its remaining Ed Tech funds during the year for which the funds were appropriated, and carries over \$30,000 of FY 2002 Ed Tech funds to the succeeding fiscal year.
- In that succeeding year, the LEA may transfer only up to \$10,000 of the Ed Tech carryover funds.

(\$50,000 transfer limit - \$40,000 already transferred =
\$10,000 that may still be transferred)

	Transferability	Local-Flex
<i>How much</i>	50% of each of the targeted programs	100% of each of the targeted programs
<i>For what</i>	Transfer between same programs or into Title I (but not out)	ANY purpose authorized under ESEA
<i>Limits?</i>	Transferred funds subject to requirements of program into which funds were transferred	Must meet additional specific, measurable goals and narrow achievement gaps
	Must meet AYP under Title I	

SEA TRANSFERABILITY

- A State may transfer up to 50 percent of the non-administrative funds allotted to it to carry out State-level activities under the designated programs provisions to one or more of its allotments under those programs

Designated Programs

- Section 2113(a)(3) (Teacher Training and Recruitment)
- Section 2412(a)(1) (Technology)
- Section 4112(a)(1) (Safe and Drug-Free Schools and Communities Governor's funds, with the agreement of the Governor)
- Section 4112(c)(1) (Safe and Drug-Free Schools and Communities SEA funds)
- Section 4202(c)(3) (21st Century Community Learning Centers)
- Section 5112(b) (Innovative Programs)

In addition, funds from these programs may be transferred into Title I (but no funds can be transferred out).

The transferred funds are subject to the requirements of the programs to which they are transferred.

Sec. 6123 (e) (1)

For each transfer, the SEA must

- Modify its State plan or application
- Notify the Secretary of the transfer no later than 30 days before the effective date of the transfer
(include program from which funds are being transferred, amount, program to which funds are being transferred, and set the effective date of the transfer)
- Submit modified plan to Secretary no later than 30 days after the transfer

Equitable private school participation and consultation applies

Transfer of funds doesn't affect future grant allocations under the programs covered by the transferability authority.

For further information,
contact:

Charles Lovett

Mark Traversa

Transferability@ed.gov

(202) 401-0039

Transferability

True or False

LEAs may transfer all of their money to Title I.

False

Using the Transferability authority is easy.

True

It requires no application; no approval.

It does require some thought on how students will best be served, however.

An LEA may transfer funds no more than 12 times.

False

There is no limit on the number of transfers that may be made.

There are separate provisions applying to State Transferability and Local Transferability.

True; the primary differences between the two are:

Under State Transferability, 50 percent of non-administrative funds may be transferred.

Under Local Transferability, 50 percent of formula funds may be transferred.

SEAs and LEAs must have approval in order to transfer funds.

False

SEA and LEA transfers do not require approval, only notification.

ED may not prohibit an SEA transfer and an SEA may not prohibit an LEA transfer.

States are required to notify ED in writing of their intention to transfer funds.

True

States must notify ED in writing 30 days prior to a transfer.

LEAs are required to notify their SEA in writing of their intention to transfer funds.

True

LEAs must notify States in writing 30 days prior to a transfer.

In the transfer notification, both States and LEAs must report the amount of money to be transferred and the programs from which and to which they will be transferred.

True

SEAs and LEAs may never transfer funds from Title I to another program.

True

Under both the State and Local Transferability authority, funds may not be transferred from Title I. Funds may be transferred into Title I, however.

An LEA may transfer funds into Title I and use those funds only for supplemental services.

False

Set-asides and other requirements of the receiving program apply to all transfers.

All LEAs are eligible to participate in the Transferability authority.

False

LEAs identified for correction are ineligible to participate. LEAs identified for improvement may transfer up to 30 percent.

The Department is specifying how SEAs and LEAs account for transferred funds.

False

SEAs and LEAs may account for transferred funds by any method that best meets their needs.

The Transferability authority permits funds to be used for any purpose in the ESEA.

False

Funds must be used in accordance with all of the requirements of the authorized receiving programs.

Programs subject to the Local Transferability authority are the same as those subject to the Local-Flex authority.

True

But while the Transferability authority is easier to use, flexibility in the use of funds offered by Local Flex is greater.

Before transferring funds, an SEA and an LEA must consult with private school officials.

True

Each transfer requires timely and meaningful consultation with a full spectrum of private school representatives.

RURAL EDUCATION INITIATIVE

Title VI, Part B



- Known as the Rural Education Achievement Program (REAP)
- 3 pieces
 - Alternative Uses of Funds Authority (*aka* REAP-Flex)
 - Small, Rural School Grant Program
 - Rural and Low-Income School Program

General Purposes of REAP

- Address unique needs of rural school districts
 - Lack the personnel and resources to compete effectively for Federal grants
 - Receive formula grant allocations too small to be effective in meeting their intended purposes

RURAL EDUCATION ACHIEVEMENT PROGRAM

Alternate Uses of Funds

Purpose: To help eligible LEAs address local academic needs more effectively by giving them greater flexibility in the use of limited federal resources.

Applicable Funding

Title II , subpart 2

Teacher and Principal Training and Recruiting

Title II, sec. 2412(a)(2)(A)

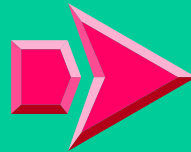
Enhancing Education Through Technology

Title IV, sec. 4114

Safe and Drug-Free Schools and Communities

Title V, Part A

Innovative Programs



Uses of funds

Title I, Part A

Improving the Academic Achievement of Disadvantaged Children

Title II, Part A

Teacher and Principal Training and Recruiting

Title II, Part D

Enhancing Education Through Technology

Title III

Language Instruction for LEP and Immigrant Students

Title IV, Part A

Safe and Drug-Free Schools and Communities

Title IV, Part B

21st Century Community Learning Centers

Title V, Part A

Innovative Programs

Eligibility:

LEAs with a total average daily attendance (ADA) of less than 600 students, or where each school is located in a county with a total population density of less than 10 persons per square mile

AND where all of the schools in the LEA are designated with a School Locale Code of 7 or 8 by NCES or the LEA is in an area of the state defined rural by a state government agency.

For further information, contact:

Charles Lovett
Milagros Lanauze
REAP@ed.gov
(202) 401-0039

GAPS Hotline: 1-888-336-8930

Payments through GAPS:

<http://e-grants.ed.gov>

(click on the tab for "E-Payments")

REAP website:

<http://www.ed.gov/offices/OESE/reap.html>

REAP True or False

Under REAP, eligible LEAs transfer funds from one program to another.

False

Eligible LEAs have the authority to use designated program funds for alternative purposes, but not to transfer program funds.

Under REAP, an LEA is not required to meet all of the requirements of the programs under which the funds are used.

True

REAP alternative uses of funds authority applies to the same programs as the transferability authority.

True

For what purposes
would you use one of
these flexibility
authorities?